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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/902,359	07/10/2001	Arthur D. Kranzley	AP33353-070457.1041	8872
21003	7590	06/02/2004	EXAMINER	
BAKER & BOTTS 30 ROCKEFELLER PLAZA NEW YORK, NY 10112			GREENE, DANIEL L	
			ART UNIT	PAPER NUMBER

3621

DATE MAILED: 06/02/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/902,359

Applicant(s)

KRANZLEY ET AL.

Examiner

Daniel L. Greene

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 06 March 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-5 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-5 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Arguments

Applicant's arguments filed 3/6/04 have been fully considered but they are not persuasive. The Applicant suggests that the primary reference used does not describe or suggest that the payment gateway return to the merchant's computer an automatic authorization approval without first obtaining authorization from the issuer. The primary reference (Linehan) teaches, as per column 3, lines 1-67, A SET Secure Electronic Transaction demonstrates that the payment gateway return to the merchants computer approval without first obtaining authorization from the issuer. In reference to the modifier "automatic", it has been held that broadly providing a mechanical or automatic means to replace manual activity, which has accomplished the same results, involves only routine skill in the art. *In re Venner*, 120 USPQ 192. Linehan does disclose and suggest sending authorization approval to the merchant. Fig. 4. As previously stated, automating an action does not in and of itself render an action unique, original or non-obvious. Furthermore, the addition of the term "automatic", is not functionally involved and or is not required in the steps recited. The actions stipulated in Claim 1 would still be realized by:

generating a first message ...

authenticating said parties by ... an authorization approval...

based upon said authentication and said ... authorization approval

Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ

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401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to automate the authorization process, because such data does not functionally relate to the steps in the method claimed and because the subjective interpretation of the data does not patentably distinguish the claimed invention.

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Linehan US 6,327,578 [Linehan], and further in view of Schenkler US 6,078,902 [Schenkler].

As per claim 1:

Linehan discloses:

generating a first message authorization request and forwarding said request to said payment gateway; Col. 4, lines 10-40.

authenticating said parties by said gateway and returning to said merchant's computer an automatic authorization approval without first obtaining authorization from said issuer; Col. 4, lines 1-67.

authorizing or declining said second request at least based on said PAN and said amount of said transaction. Col. 6, lines 47-67.

Linehan discloses the claimed invention except for the based upon said authentication and said automatic authorization approval, generating a second authorization request for authorizing said transaction using said PAN; forwarding said request not to said payment gateway but to said payment system.

Schenkler teaches that it is known in the art to based upon said authentication and said automatic authorization approval, generating a second authorization request for authorizing said transaction using said PAN; forwarding said request not to said payment gateway but to said payment system. Col. 10, lines 1-67.

It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the system for transactions over a network of Schenkler with the authenticating said parties by said gateway and returning to said merchant's computer an automatic authorization approval without first obtaining authorization from said issuer of Linehan, in order to provide the issuer with the flexibility to chose the payment method and options they want to use.

Claims 1 and 4 are rejected under 35 U.S.C. 103 as being unpatentable over Linehan. Linehan teaches all of the elements claimed with the exception of generating an authorization request and sending it to an entity that is not associated with the

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purchaser or merchant's banks. The examiner takes Official Notice that utilizing a Certificate Authority to validate the various parties to a transaction where the Certificate Authority is not associated with either of the participant's banks is well known.. It would have been obvious to one having ordinary skill in the art at the time of the invention to have included the step of generating an authorization request and sending it to an entity that is not associated with the purchaser's or the merchant's banks because the skilled artisan would have recognized that this business practice of authenticating transaction participants is common and well known and is clearly applicable to the limitation presented by the Applicant in claims 1 and 4. These advantages are well known to those skilled in the art.

As per claim 2:

Linehan further discloses:

wherein said first message authorization request is formatted in compliance with a first certain protocol and said second authorization request is formatted by said merchant computer in compliance with a second certain protocol. Col. 4, line 67, Col. 3, lines 13-50.

• As per claim 3:

Linehan further discloses:

wherein said first certain protocol is a SET protocol and the second certain protocol is a SSL protocol; and wherein said payment gateway is a SET payment gateway. Col. 4, line 67, Col. 3, lines 13-50.

As per claim 4:

Linehan discloses:

generating by said consumer's computer a message authorization request; packaging said message authorization request with a merchant's message authorization request; Col. 5, lines 50-67.

encrypting said merchant authorization request; Col. 4, line 67.

forwarding said encrypted merchant's authorization request to said payment gateway; Col. 14, lines 18-67.

decrypting by said payment gateway said merchant authorization request and authenticating the consumer and the merchant; Col. 7, lines 20-67.

returning a message to said merchant's computer with an automatic authorization approval and said consumer's encrypted PAN without first obtaining authorization through said payment system; Col. 4, lines 1-67.

Linehan discloses the claimed invention except for opening said returned message to obtain said PAN, forwarding a payment authorization request using

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... said PAN to said payment system, and providing by said acquirer computer an authorization or decline of said payment authorization request.

Schenkler teaches that it is known in the art to open said returned message to obtain said PAN, forwarding a payment authorization request using said PAN to said payment system, and providing by said acquirer computer an authorization or decline of said payment authorization request. Col. 10, lines 1-67.

It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the system for transactions over a network of Schenkler with the opening said returned message to obtain said PAN, forwarding a payment authorization request using said PAN to said payment system, and providing by said acquirer computer an authorization or decline of said payment authorization request of Linehan, in order to provide the means to conclude a transaction.

As per claim 5:

Linehan further discloses:

wherein said payment system is not accessed through said payment gateway. Col. 8, lines 12-15.

Examiner's Note: Examiner has cited particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant.

Although the specified citations are representative of the teachings in the art and are

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applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Conclusion

2. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel L. Greene whose telephone number is 703-306-5539. The examiner can normally be reached on M-Thur. 8am-6pm.


JAMES P. TRANSMELL
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600